



State of Louisiana
DIVISION OF ADMINISTRATION

OFFICE OF STATE UNIFORM PAYROLL

M. J. "MIKE" FOSTER, JR.
GOVERNOR

August 5, 2003

MARK C. DRENNEN
COMMISSIONER OF ADMINISTRATION

OFFICE OF STATE UNIFORM PAYROLL MEMORANDUM #2004-04

TO: All ISIS HR Paid Agencies

FROM: Jena W. Cary
Director

SUBJECT: Update on Bank Reversal Policy for Direct Deposits (EFT's)

This is to update the procedures for an agency to submit a request to the Office of State Uniform Payroll (OSUP) to request a direct deposit transaction be reversed with the bank. OSUP's policy will continue to allow the submission of a direct deposit bank reversal request if an employee is overpaid 80 hours or more and/or if an employee's pay is deposited to another employee's bank account number/routing number due to an agency input error. In addition, OSUP will allow the submission of a direct deposit bank reversal request if a separated employee has been overpaid **and** is not due any additional pay.

The following is an outline of the procedures:

1. Agencies must contact a member of the Benefits & Financial Administration Unit (BFA Unit) to discuss the situation **prior** to submitting a direct deposit bank reversal request.
2. After OSUP gives permission to allow the submission of the direct deposit bank reversal request, the agency must prepare the request via email or on agency letterhead. Email requests must be sent to all BFA Unit staff (see link titled "EFT Reversal Request" on the bottom of the OSUP Direct Deposit webpage at http://www.doa.state.la.us/osup/direct_deposit.htm) and must be copied to the agency/department head or HR Director. Letter requests must be signed by the agency/department head or HR Director and should be faxed to (225) 219-4432. Requests **must** include the following information:

- a. Subject should be "Direct Deposit Reversal Request"
- b. Details of how/why the error occurred
- c. What steps the agency is taking to prevent this error in the future
- d. Pay date
- e. Employee's name
- f. Employee's personnel number
- g. Gross pay amount
- h. Net pay amount
- i. Gross overpaid amount
- j. Number of hours overpaid
- k. Separation date, if applicable
- l. Agency contact name, phone number & email address

3. After OSUP reviews the reversal request, the agency will be notified of approval or denial.

August 5, 2003

Page 2

4. If approved, **the agency must contact the employee to notify them that a bank reversal is being requested** and that any information received by the employee on an earnings statement or in ESS for that payment will be incorrect.
5. The agency must Fax an OSUP/F3 - Reverse Employee Check/EFT form and required backup (remuneration statement), or in some situations, an OSUP/F2 - Replacement Employee Check/EFT form to (225) 219-4432. Refer to [OSUP Memorandum #2003-40](#) for procedures on how to complete these forms.
6. The agency must also advise the employee that there may be a delay in receiving a corrected check if any payment is due. This is because the money must be credited to our bank account before an ISIS HR Reversal and/or Off-Cycle payment can be processed.

A general guideline is if an approved reversal request is submitted by OSUP to the bank early enough on **payroll Wednesday**, the ISIS HR Reversal and Off-Cycle payment should be able to be processed during payroll week. Otherwise, there will be a 5 banking day delay from the submission of the bank reversal by OSUP before the ISIS HR Reversal and Off-Cycle payment can be processed.

7. Agency personnel must correct all master data, time entry and/or bank data prior to OSUP processing the ISIS HR Reversal, OSUP/F3. Agencies must notify OSUP when this is complete. If the direct deposit bank reversal request was submitted via email, agency must notify OSUP by "replying to all" on the approval email the agency received from OSUP.
8. Agencies should monitor the off-cycle workbench to verify when the reversal has been completed to determine when an Off-Cycle payment can be processed if applicable.

For an employee that is overpaid less than 80 hours and is still working, OSUP advises the agency to set up a Recoupment in ISIS HR to withhold an amount, agreed upon with the employee, each pay period until the total overpayment has been recovered. Refer to On-Line Help, **Recoupment System - Overpaid Wages**, for complete instructions on setting up recoupments.

These procedures can also be followed if an agency needs to request OSUP to pull a check that needs to be reversed as long as the request is received by 4:00 p.m. on payroll Wednesday. Agencies must indicate in the request that the request is for a check.

To receive permission to submit a direct deposit bank reversal request or if there are any questions, please contact a member of the Benefits & Financial Administration Unit at (225):

Paula Rotolo	342-5357	Angel Vernon	342-5344
Penny Jones	342-5354	Orneatha Wright	342-5357
Angela Woods	342-5345		